

Week Ending Friday, December 19, 1997

**Statement on the International
Financial Services Agreement**

December 12, 1997

Since I took office, I have been committed to tearing down barriers to American goods and services exports. Today's agreement by over 70 countries to liberalize trade in financial services will ensure market access in sectors where we lead the world: banking, securities, and insurance. In the wake of recent financial instability, it is particularly encouraging that so many countries have chosen to move forward rather than backwards. I want to congratulate Secretary Rubin, Ambassador Barshefsky, Deputy Secretary Summers, Deputy U.S. Trade Representative Lang, and Assistant Secretary Geithner for their hard work in bringing these negotiations to a successful conclusion.

NOTE: This item was not received in time for publication in the appropriate issue.

The President's Radio Address

December 13, 1997

Good morning. This morning I'd like to give you a progress report on our fight against waste, fraud, and abuse in the Medicare system.

Medicare is more than just a program; it reflects our values. It's one way we honor our parents and our grandparents and protect our families across the generations. This past summer we took historic action to strengthen Medicare by improving benefits, more mammograms, cancer screenings, major improvements in diabetes care, expanding choices for recipients in health plans, and extending the life of the Trust Fund to at least the year 2010. I have also named four distinguished experts to a bipartisan commission that will find ways to ensure that Medicare will be able to serve baby

boomers and our children as faithfully as it has served our parents.

But to protect Medicare and the fundamental values it represents, we also must vigorously fight the waste, fraud, and abuse that is clearly in the system, activities that diminish our ability to provide high-quality, affordable care for some of our most vulnerable citizens. Medicare fraud costs billions of dollars every year, amounting to an unfair fraud tax on all Americans and undermining our ability to care for those most in need. Taxpayers deserve to expect that every cent of hard-earned money is spent on quality medical care for deserving patients.

I am proud of what we've already accomplished to crack down on abuse in Medicare. Since 1993 we have assigned more Federal prosecutors and FBI agents to fight health care fraud, and as a result, convictions have gone up 240 percent. We've saved \$20 billion in health care claims. Two years ago the Department of Health and Human Services launched Operation Restore Trust. Already it has identified \$23 in fines and settlements for every dollar invested in the program. Our historic balanced budget agreement last summer gives us an array of new weapons to help keep scam artists and fly-by-night health care providers out of Medicare in the first place. And earlier this fall I announced new actions to root out fraud and abuse in the mushrooming home health industry, from a moratorium on new home health agencies entering the system to a doubling of audits to a new certification renewal process.

But we must do more. Sometimes the waste and abuses aren't even illegal; they're just embedded in the practices of the system. Last week the Department of Health and Human Services confirmed that our Medicare program has been systematically overpaying doctors and clinics for prescription drugs, overpayments that cost taxpayers hundreds of millions of dollars. Such waste is simply unacceptable.

Now, these overpayments occur because Medicare reimburses doctors according to the published average wholesale price, the so-called sticker price, for drugs. Few doctors, however, actually pay the full sticker price. In fact, some pay just one-tenth of the published price. That's why I'm sending to Congress again the same legislation I sent last year, legislation that will ensure that doctors are reimbursed no more and no less than the price they themselves pay for the medicines they give Medicare patients. While a more modest version of this bill passed last summer, the savings to taxpayers is not nearly enough. My bill will save \$700 million over the next 5 years, and I urge Congress to pass it.

There must be no room for waste, fraud, and abuse in Medicare. Only by putting a permanent stop to it can we honor our parents, protect our taxpayers, and build a world-class health care system for the 21st century.

NOTE: The President spoke at 10:06 a.m. from the Oval Office at the White House.

Remarks at the Arkansas Democratic National Committee Dinner

December 13, 1997

Thank you very much. Thank you, Maurice, not only for chairing this dinner but for never saying no for 6 years or more now, in good times and bad. Thank you, Alan Solomont, for your leadership and those wonderful, thoughtful, and highly perceptive remarks. *[Laughter]*

I think these other folks are about to get us, don't you? I think he's finally figured it out.

I'd like to thank all the non-Arkansans who are here tonight, particularly those who have positions in our party—Tom and Jill Hendrickson from North Carolina. And I'd like to thank Jack and Phyllis Rosen for being here. Jack's been involved with our financial efforts for a long time at the DNC, and this is his very last event. He wanted to go out with a home touch. So thank you especially, Jack, for doing that.

I probably shouldn't do this, but I'm going to try to acknowledge the Arkansans in the

administration who are here. If I omit you and you quit, I will never speak to you again. *[Laughter]* I am doing my best. *[Laughter]* Normally, Presidents don't have to remember this stuff. *[Laughter]* But I think it's important.

I just want you to get a feel for how many people are here: Mack and Donna McLarty, of course; Bruce Lindsey; Nancy Hernreich; Marsha Scott; Bob Nash and Janis Kearney; Stephanie Streett, Mary Streett; Catherine Grundin; Patsy Thomasson; Ann and Grady McCoy. Ben Johnson told me he was from Arkansas tonight, that he was born in Marion and his wife, Jacqueline, said she was born in Joiner—*[laughter]*—and I'd say that qualifies. *[Laughter]* Steve and Jennifer Ronnel; Darren and Vivian Peters. And in the administration, of course, Secretary Slater and Cassandra; James Lee and Lea Ellen Witt; Hershel Gober and Mary Lou Keener; Harold and Arlee Gist; Wilbur Peer; Gloria Cabe has done great work for us; and in the DNC, Carroll and Joyce Willis; Lottie Shackelford; Mary Anne Salmon.

I'm so glad they're here. There are others I wish were here tonight. I wish Maurice Smith and Betsy Wright and Bill Clark and David Matthews and Linda Dixon and a host of other people could be here. But I want to thank you, all of you—those of you in the administration, those of you who have been in the administration, and most of all, those of you without whom there never would have been an administration. I thank you very much.

I don't want to embarrass him, but about 2 hours before I came over here tonight I was finishing up some paper work in my office. And Nancy always collects interesting letters that come from people from home and puts them in a little folder for me, and I get them at least once a week. And at the top of the folder was a letter that Richard Mason just wrote to the Wall Street Journal. And it said, "I got about as much chance of getting this letter printed as Dan Quayle does of getting elected President." *[Laughter]*

But he went on to say he was a businessman; he had read the Journal faithfully for years. He said, "For 5 years I've watched you bad-mouth my President and my State and